

# Non-Departmental

<b>Budget Unit</b>	<b>Program</b>	<b>2019 Proposed Budget</b>
<b>Non-Departmental</b>		<b>\$ 25,079,850</b>
100-90-001	Transfers Out	\$ 11,183,912
429-90-001	Transfers Out	\$ 10,726,500
365-90-500	Facility Lease Debt Service	\$ 3,169,438
100-90-502	Employee Housing Assistance	-
<b>Total</b>		<b>\$ 25,079,850</b>

# Department Overview

## Budget at a Glance

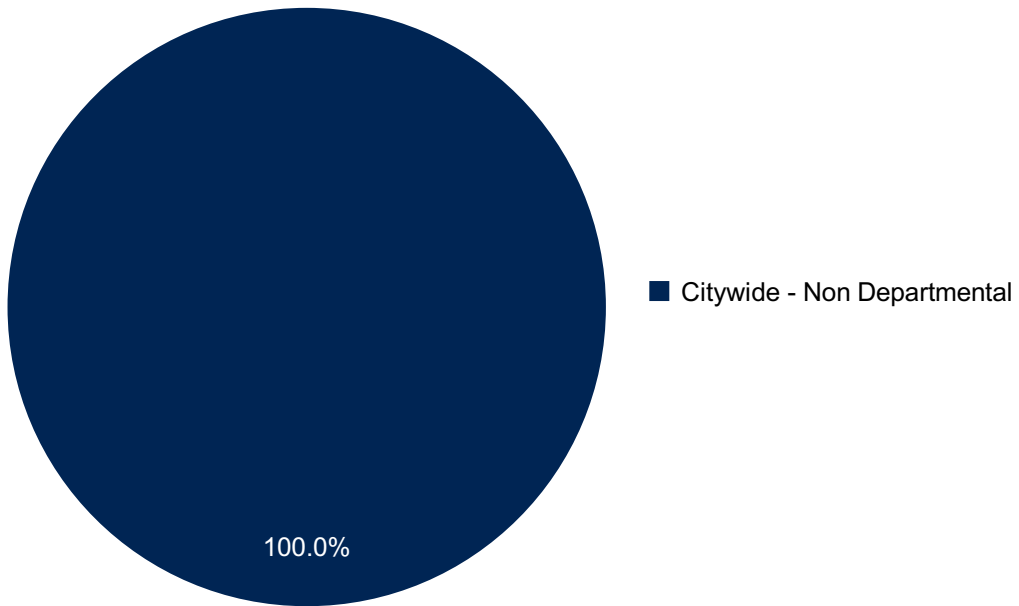
	<b>2019 Proposed Budget</b>
Total Revenues	\$ 62,220,000
Total Expenditure	\$ 25,079,850
Fund Balance	\$ (10,726,500)
General Fund Costs	\$ (47,866,650)
% Funded by General Fund	-
Total Staffing	0 FTE

## Proposed Budget

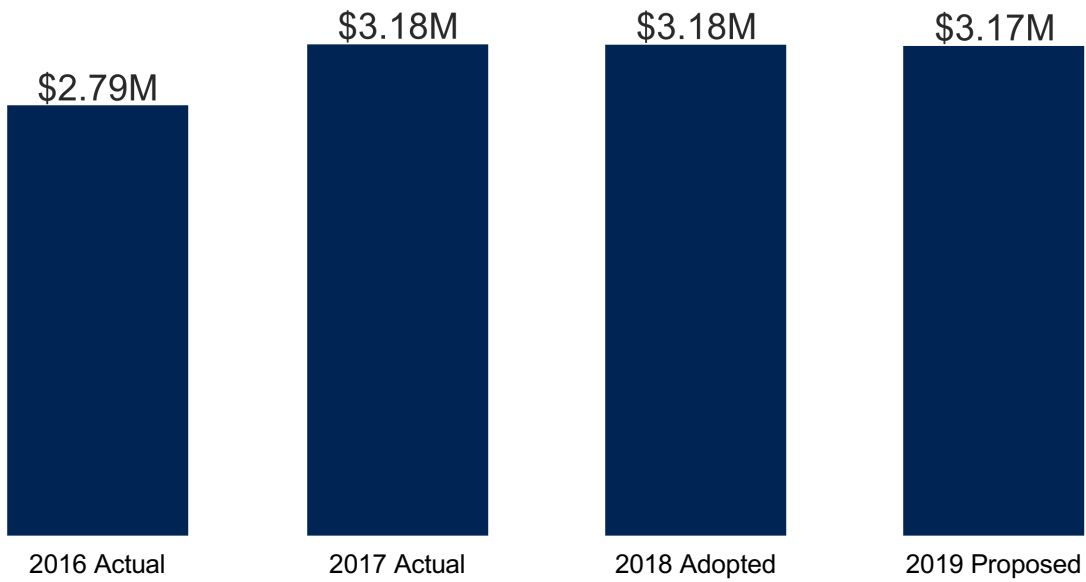
It is recommended that a budget of \$25,079,850 be approved for the Non-Departmental department. This represents a decrease of \$9,039,422 (-26.5%) from the FY 2018 Adopted Budget.

The decrease is primarily due to a decrease in Enterprise and Internal Service funds requiring subsidies from the General Fund to meet the 15% minimum projected fund balance for the fiscal year. In addition, there is a decrease in transfers out from from the Capital Reserve due to the costs of projects and alternative funding available for those projects.

## Proposed Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year:

<b>Category</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Adopted Budget</b>	<b>2019 Proposed Budget</b>
<b>Revenues</b>				
Taxes	\$ 54,786,295	\$ 62,648,632	\$ 59,345,000	\$ 62,047,000
Licenses and Permits	\$ 21,648	\$ 23,435	\$ 24,000	\$ 24,000
Use of Money and Property	\$ 677,228	\$ 595,729	\$ 1,042,965	\$ 58,000
Intergovernmental Revenue	\$ 308,259	\$ 200,783	\$ 238,500	\$ 91,000
Charges for Services	\$ 193,629	\$ 158,112	-	-
Fines and Forfeitures	\$ 558,517	-	-	-
Miscellaneous Revenue	\$ 72,601	\$ 133,199	-	-
Interdepartmental Revenue	-	-	-	-
<b>Total Revenues</b>	<b>\$ 56,618,176</b>	<b>\$ 63,759,890</b>	<b>\$ 60,650,465</b>	<b>\$ 62,220,000</b>
<b>Expenditures</b>				
Employee Compensation	-	-	-	-
Employee Benefits	-	-	-	-
Materials	\$ (384,004)	\$ 7,471	\$ 10,000	-
Contract Services	-	-	-	-
Cost Allocation	\$ 21,883,803	\$ 40,842,577	\$ 34,109,272	\$ 25,079,850
Capital Outlay	-	-	-	-
Special Projects	-	-	-	-
Appropriations for Contingency	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 21,499,798</b>	<b>\$ 40,850,047</b>	<b>\$ 34,119,272</b>	<b>\$ 25,079,850</b>
<b>Fund Balance</b>	<b>\$ (5,927,306)</b>	<b>\$ 6,246,305</b>	<b>\$ (15,184,000)</b>	<b>\$ (10,726,500)</b>
<b>General Fund Costs</b>	<b>\$ (41,009,669)</b>	<b>\$ (16,658,164)</b>	<b>\$ (39,715,193)</b>	<b>\$ (47,866,650)</b>

# Transfers Out

Budget Unit 100-90-001

General Fund - Non-Departmental - Transfers Out

## Budget at a Glance

	<b>2019 Proposed Budget</b>
Total Revenues	\$ 62,220,000
Total Expenditures	\$ 11,183,912
Fund Balance	-
General Fund Costs	\$ (51,036,088)
% Funded by General Fund	-
Total Staffing	0 FTE

## Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources and to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

## Service Objectives

Transfers out are evaluated each year to ensure funds outside of the General Fund remain with a minimum fund balance of 15% of budgeted operating expenses. These transfers are normally for Special Revenue and Enterprise funds requiring a subsidy due to revenues falling short of full program costs. In addition, the City has reoccurring transfers to the Transportation Fund of \$5.8 million annually for pavement maintenance costs in addition to funding the total budget costs associated with Annual Debt Payment, Compensated Absences and Retiree Health.

## Proposed Budget

It is recommended that a budget of \$11,183,912 be approved for the Transfers Out program. This represents a decrease of \$4,573,822 (-29.0%) from the FY 2018 Adopted Budget.

The General Fund transfers out for FY 2019 are as follows:

<b>Transfer Out from the General Fund</b>	<b>Description</b>	<b>Amount</b>
Special Revenue	Storm Drain, Non Point Source, Sidewalk, Curb and Gutters Maintenance	\$6,436,000
Debt Service	Annual Debt Payment	\$3,169,438
Internal Service Funds	General Fund subsidy of Compensated Absences and Retiree Medical	\$1,578,474
	<b>Total General Fund Transfers Out</b>	<b>\$11,183,912</b>

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year:

<b>Category</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Adopted Budget</b>	<b>2019 Proposed Budget</b>
<b>Revenues</b>				
Taxes	\$ 54,786,295	\$ 62,648,632	\$ 59,345,000	\$ 62,047,000
Licenses and Permits	\$ 21,648	\$ 23,435	\$ 24,000	\$ 24,000
Use of Money and Property	\$ 677,228	\$ 640,117	\$ 1,042,965	\$ 58,000
Intergovernmental Revenue	\$ 308,259	\$ 200,783	\$ 238,500	\$ 91,000
Charges for Services	\$ 193,629	\$ 158,112	-	-
Fines and Forfeitures	\$ 558,517	-	-	-
Miscellaneous Revenue	\$ 72,601	\$ 133,199	-	-
Interdepartmental Revenue	-	-	-	-
<b>Total Revenues</b>	<b>\$ 56,618,176</b>	<b>\$ 63,804,278</b>	<b>\$ 60,650,465</b>	<b>\$ 62,220,000</b>
<b>Expenditures</b>				
Employee Compensation	-	-	-	-
Employee Benefits	-	-	-	-
Materials	\$ (391,424)	-	-	-
Contract Services	-	-	-	-
Cost Allocation	\$ 13,163,945	\$ 28,965,731	\$ 15,757,734	\$ 11,183,912
Capital Outlay	-	-	-	-
Special Projects	-	-	-	-
Appropriations for Contingency	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 12,772,521</b>	<b>\$ 28,965,731</b>	<b>\$ 15,757,734</b>	<b>\$ 11,183,912</b>
<b>Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>General Fund Costs</b>	<b>\$ (43,809,640)</b>	<b>\$ (34,833,172)</b>	<b>\$ (42,892,731)</b>	<b>\$ (51,036,088)</b>

## Staffing

Total current authorized positions - 0.00

There is no staffing associated with this program.

Total recommended positions - 0.00

# Transfers Out

Budget Unit 429-90-001

Capital Reserve - Non-Departmental - Transfers Out

## Budget at a Glance

	<b>2019 Proposed Budget</b>
Total Revenues	-
Total Expenditures	\$ 10,726,500
Fund Balance	\$ (10,726,500)
General Fund Costs	-
% Funded by General Fund	-
Total Staffing	0 FTE

## Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources and to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

## Service Objectives

Transfers out from the Capital Reserve vary from year to year depending on the projects selected in the Capital Improvement Plan. In addition, funding sources for each project are reviewed and then allocated appropriately. After this review, the remaining balance of the project left to fund is then transferred from the Capital Reserve Fund.

## Proposed Budget

It is recommended that a budget of \$10,726,500 be approved for the Transfers Out program. This represents a decrease of \$4,457,500 (-29.4%) from the FY 2018 Adopted Budget.

The Capital Reserve transfers out for FY 2019 are as follows:

<b>Transfer Out from the Capital Reserve</b>	<b>Description</b>	<b>Amount</b>
Special Revenue	Fund Capital Improvement Projects	\$1,600,000
Capital	Fund Capital Improvement Projects	\$9,051,500
Enterprise	Fund Capital Improvement Projects	\$75,000
	<b>Total Capital Reserve Transfers Out</b>	<b>\$10,726,500</b>

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year:

<b>Category</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Adopted Budget</b>	<b>2019 Proposed Budget</b>
<b>Revenues</b>				
Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Use of Money and Property	-	\$ (44,388)	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Interdepartmental Revenue	-	-	-	-
<b>Total Revenues</b>	-	<b>\$ (44,388)</b>	-	-
<b>Expenditures</b>				
Employee Compensation	-	-	-	-
Employee Benefits	-	-	-	-
Materials	-	-	-	-
Contract Services	-	-	-	-
Cost Allocation	\$ 5,549,993	\$ 8,704,608	\$ 15,184,000	\$ 10,726,500
Capital Outlay	-	-	-	-
Special Projects	-	-	-	-
Appropriations for Contingency	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 5,549,993</b>	<b>\$ 8,704,608</b>	<b>\$ 15,184,000</b>	<b>\$ 10,726,500</b>
<b>Fund Balance</b>	<b>\$ (2,758,268)</b>	<b>\$ 6,251,004</b>	<b>\$ (15,184,000)</b>	<b>\$ (10,726,500)</b>
<b>General Fund Costs</b>	<b>\$ 2,791,725</b>	<b>\$ 15,000,000</b>	-	-

## Staffing

Total current authorized positions - 0.00

There is no staffing associated with this program.

Total recommended positions - 0.00



# Facility Lease Debt Service

Budget Unit 365-90-500

Public Facilities Corp - Non-Departmental - Facility Lease Debt Service

## Budget at a Glance

	<b>2019 Proposed Budget</b>
Total Revenues	-
Total Expenditures	\$ 3,169,438
Fund Balance	-
General Fund Costs	\$ 3,169,438
% Funded by General Fund	100.0 %
Total Staffing	0 FTE

## Program Overview

The Debt Service Program provides for the payment of principal and interest and associated administrative costs incurred with the issuance of debt instruments for the City's Public Facilities Corporation. The budget funds the Corporation's annual payment of principal and interest on the City Hall/Library, Wilson/Memorial Open Space and Library Certificates of Participation (COP) that will be paid off by the year 2030.

## Service Objectives

The majority of the borrowings occurred in early 1990 to acquire additional park real estate and expand community facilities. A breakdown of the capital acquisitions follows:

- Increased 90 acres of park real estate to 190 acres, a 111% increase
- Increased 26,031 sq ft of recreation building space to 84,460 sq ft, a 224% increase

Specific purchases included:

- Blackberry Farm - \$18 million, voter approved debt;
- Creekside Park - \$12 million voter approved debt;
- Sports Center - \$8 million;
- Quinlan Community Center, including park real estate - \$6.1 million;
- Wilson Park and improvements - \$5.6 million;
- Jollyman Park development - \$1 million;
- City Hall renovation/improvements - \$1.7 million;
- Library renovation/improvements - \$1.7 million;
- New library/community center - \$10 million.

In May 2012, the Corporation refinanced its \$44 million in outstanding debt to lower the interest rate and save approximately \$350,000 per year in debt payments.

## Schedule of Lease Payments

Payment Date	Principal Component	Interest Component	Total Lease Payment	Annual Lease Payment
12/15/12		687,643.15	687,643.15	
6/15/13	1,920,000.00	567,778.75	2,487,778.75	3,175,421.90
12/15/13		564,418.75	564,418.75	
6/15/14	2,040,000.00	564,418.75	2,604,418.75	3,168,837.50
12/15/14		559,318.75	559,318.75	
6/15/15	2,055,000.00	559,318.75	2,614,318.75	3,173,637.50
12/15/15		538,768.75	538,768.75	
6/15/16	2,090,000.00	538,768.75	2,628,768.75	3,167,537.50
12/15/16		517,868.75	517,868.75	
6/15/17	2,135,000.00	517,868.75	2,652,868.75	3,170,737.50
12/15/17		496,518.75	496,518.75	
6/15/18	2,180,000.00	496,518.75	2,676,518.75	3,173,037.50
12/15/18		474,718.75	474,718.75	
6/15/19	2,220,000.00	474,718.75	2,694,718.75	3,169,437.50
12/15/19		441,418.75	441,418.75	
6/15/20	2,290,000.00	441,418.75	2,731,418.75	3,172,837.50
12/15/20		407,068.75	407,068.75	
6/15/21	2,355,000.00	407,068.75	2,762,068.75	3,169,137.50
12/15/21		371,743.75	371,743.75	
6/15/22	2,425,000.00	371,743.75	2,796,743.75	3,168,487.50
12/15/22		335,368.75	335,368.75	
6/15/23	2,500,000.00	335,368.75	2,835,368.75	3,170,737.50
12/15/23		297,868.75	297,868.75	
6/15/24	2,575,000.00	297,868.75	2,872,868.75	3,170,737.50
12/15/24		259,243.75	259,243.75	
6/15/25	2,655,000.00	259,243.75	2,914,243.75	3,173,487.50
12/15/25		219,418.75	219,418.75	
6/15/26	2,730,000.00	219,418.75	2,949,418.75	3,168,837.50
12/15/26		178,468.75	178,468.75	
6/15/27	2,815,000.00	178,468.75	2,993,468.75	3,171,937.50
12/15/27		136,243.75	136,243.75	

<b>Payment Date</b>	<b>Principal Component</b>	<b>Interest Component</b>	<b>Total Lease Payment</b>	<b>Annual Lease Payment</b>
6/15/28	2,900,000.00	136,243.75	3,036,243.75	3,172,487.50
12/15/28		92,743.75	92,743.75	
6/15/29	2,985,000.00	92,743.75	3,077,743.75	3,170,487.50
12/15/29		47,968.75	47,968.75	
6/15/30	3,070,000.00	47,968.75	3,117,968.75	3,165,937.50
<b>Total</b>	<b>43,940,000.00</b>	<b>13,133,759.40</b>	<b>57,073,759.40</b>	<b>57,073,759.40</b>

## Proposed Budget

It is recommended that a budget of \$3,169,438 be approved for the Facility Lease Debt Service program. This represents an increase of \$1,900 (0.1%) from the FY 2018 Adopted Budget.

This budget remains relatively unchanged from the prior fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year:

<b>Category</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Adopted Budget</b>	<b>2019 Proposed Budget</b>
<b>Revenues</b>				
Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Use of Money and Property	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Interdepartmental Revenue	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>				
Employee Compensation	-	-	-	-
Employee Benefits	-	-	-	-
Materials	-	-	-	-
Contract Services	-	-	-	-
Cost Allocation	\$ 3,169,038	\$ 3,172,238	\$ 3,167,538	\$ 3,169,438
Capital Outlay	-	-	-	-
Special Projects	-	-	-	-
Appropriations for Contingency	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 3,169,038</b>	<b>\$ 3,172,238</b>	<b>\$ 3,167,538</b>	<b>\$ 3,169,438</b>
<b>Fund Balance</b>	<b>\$ (3,169,038)</b>	<b>\$ (4,700)</b>	<b>-</b>	<b>-</b>
<b>General Fund Costs</b>	<b>-</b>	<b>\$ 3,167,538</b>	<b>\$ 3,167,538</b>	<b>\$ 3,169,438</b>

## Staffing

Total current authorized positions - 0.00

There is no staffing associated with this program.

Total recommended positions - 0.00

# Employee Housing Assistance

Budget Unit 100-90-502

General Fund - Non-Departmental - Employee Housing Assistance

## Budget at a Glance

	<b>2019 Proposed Budget</b>
Total Revenues	-
Total Expenditures	-
Fund Balance	-
General Fund Costs	-
% Funded by General Fund	-
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Total Staffing	0 FTE

## Program Overview

The recruitment and hiring of top quality department heads is essential to the efficient operation of the City. Housing costs in Silicon Valley tend to act as a disincentive to persons relocating to the area, and therefore, as an obstacle to the recruitment, hiring, and retention of such top quality personnel. To assist in this end, the Council adopted the housing assistance program for department heads.

## Service Objectives

The housing assistance program for department heads provides housing loans for their primary residence at interest rates indexed with the 11th District cost of funds with an optional deferred interest feature for the first five years. There is assistance with half of the closing costs. The City may assist in the purchase by acquiring up to thirty percent of the equity share in the residence.

## Proposed Budget

There is no budget requested for this program.

The City anticipates closing out the only loan under this program in Fiscal Year 2018 and this budget will be phased out in future years should no additional employees choose to participate.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year:

Category	2016 Actual	2017 Actual	2018 Adopted Budget	2019 Proposed Budget
<b>Revenues</b>				
Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Use of Money and Property	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Interdepartmental Revenue	-	-	-	-
<b>Total Revenues</b>	-	-	-	-
<b>Expenditures</b>				
Employee Compensation	-	-	-	-
Employee Benefits	-	-	-	-
Materials	\$ 7,419	\$ 7,471	\$ 10,000	-
Contract Services	-	-	-	-
Cost Allocation	\$ 827	-	-	-
Capital Outlay	-	-	-	-
Special Projects	-	-	-	-
Appropriations for Contingency	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 8,246</b>	<b>\$ 7,471</b>	<b>\$ 10,000</b>	-
<b>Fund Balance</b>	-	-	-	-
<b>General Fund Costs</b>	<b>\$ 8,246</b>	<b>\$ 7,471</b>	<b>\$ 10,000</b>	-

## Staffing

Total current authorized positions - 0.00

There is no staffing associated with this program.

Total recommended positions - 0.00